

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: July 1, 2002

SUBJECT: Fiscal Impact Statement: "District of Columbia Flag Redesign Act of 2002"

REFERENCE: Draft Legislation – No Resolution Number Available

Conclusion

Funds are not sufficient in the FY 2002 budget or the FY 2003 through FY 2006 budget and financial plan as currently agreed to by the Mayor and the Council of the District of Columbia (Council). **Implementing the proposed legislation will result in unbudgeted costs of \$25,000 to \$45,000 depending on a negotiated bulk purchase and a determination of a reasonable and minimum number of flags required to be displayed.**

Background

The proposed legislation will statutorily change the appearance of the flag that represents the City of the District of Columbia.

Financial Plan Impact

Funds are not sufficient in the District's budget and financial plan to implement the proposed resolution because additional resources will be required. According to the Office of Property Management the District has a core group of 16 buildings and 165 lease space properties. These offices are identified to the public by the display of the District seal, and the United States and District flags. In addition, properties operated by the uniformed services, Parks and Recreation, and D.C. Schools fly approximately 270 District flags and may have an equal number indoors. Many other District agencies display the District's colors than those mentioned here.

Typically flags are acquired and paid for by the agencies and they generally replace flags that are being retired. Naturally, the size and ceremonial appearance may change as an agency assesses its needs and use of the flag. Although a typical all-weather flag may cost as little as \$25, some of the larger, fringed, banner, all-weather longevity or oversized flags cost several hundred dollars a piece.

Minimal coverage of city agencies and properties could cost the District about \$25,000 to \$45,000. Decisions factored into these cost estimates include gradual replacement, discounted cost per unit, reasonable determination of what minimum coverage would be and a centralized administration of this initiative. An unorganized, accelerated or aggressive approach to this type of purchasing would result in increased costs. The agencies previously mentioned have all indicated that due to existing budgetary pressures they would be unable to accommodate a purchase of this type at this time.